



City of Sunnyvale  
Department of Finance  
650 W. Olive Ave  
Sunnyvale, CA 94086-7637

Office of Utility Billing Phone: (408) 730-7400 TDD: (408) 730-7501 FAX: (408) 737-4950

**NOTICE OF PUBLIC HEARING**  
**PROPOSED RATE INCREASES FOR**  
**WATER, WASTEWATER AND SOLID WASTE SERVICES**  
**FISCAL YEAR 2012/13**

The Sunnyvale City Council will hold a public hearing regarding proposed increases to utility rates for City-provided water, wastewater and solid waste and recycling services on **Tuesday, June 12, 2012, at 7 p.m. in the City Council Chambers located at 456 W. Olive Ave. in Sunnyvale.**

**PROPOSED RATE INCREASES**

With the proposed rates, the average monthly residential water, wastewater, and solid waste utility bill (based on 12 units of water use and 65-gallon garbage service) will increase by \$6.13 per month (or 5.6 percent).

Individual account holder's utility costs may vary based on actual use or subscription levels, however for the average customer, the proposed monthly increases for each utility are:

Water – \$2.94  
Wastewater – \$1.70  
Solid Waste – \$1.49

The most common rates for each customer class are included with this notice. A complete rate schedule and comparisons between Sunnyvale's rates and those of surrounding communities are available at [UtilityRates.inSunnyvale.com](http://UtilityRates.inSunnyvale.com) or by calling (408) 730-7400, TDD (408) 730-7501.

**GENERAL INFORMATION REGARDING RATE INCREASES**

Sunnyvale rates for utility services are based entirely on the City's costs for operating and maintaining its utility facilities and services. As part of the process of reviewing the financial condition of the City's utilities, the City Council considers annual adjustments in utility rates. These changes include revised projections for rate increases over the next 20 years. This year, the overall changes in water rates and solid waste and recycling rates are as projected. The change in sewer rates is 1.5 percent lower than planned.

***Water Rate Increases***

Water rates pay for the safe and reliable delivery of water to all Sunnyvale residents and businesses. Increases in water rates are being driven primarily by the cost of water. The proposed rate increase is 7 percent for FY 2012/13. 63 percent of the cost to operate the water utility is to purchase water. The San Francisco Public Utilities Commission is imposing an 11 percent increase in the cost of water and the Santa Clara Valley Water District an 8 percent increase. Through management of water supplies, the City is anticipating a 7.6 percent increase in the total cost of purchasing water from the City's wholesale suppliers. The remaining water fund expenses include personnel costs (22 percent), non-personnel operations costs (7 percent), costs for capital and infrastructure projects including debt service (7 percent), and contributions to reserves (about 1 percent).

### ***Wastewater Rate Increases***

Wastewater rates pay for the safe and reliable removal of wastewater from all residences and businesses in Sunnyvale. The proposed increase is 5.5 percent for the coming fiscal year, 1.5 percent lower than projected. Wastewater rates continue to be driven by needed improvements to the City's wastewater collection and treatment infrastructure, which are projected to total \$420 million over the next 20 years. Personnel costs account for approximately 51 percent of the wastewater utility expenses in FY 2012/13. Other expenses include costs for capital and infrastructure projects including cash funded projects and debt service (28 percent), non-personnel operations costs (21 percent), and contributions to reserves (less than 1 percent).

### ***Solid Waste and Recycling Rates***

Solid waste and recycling rates pay for weekly curbside removal of garbage from all Sunnyvale residences and businesses. The proposed rate increase is 4 percent for FY 2012/13. These rates also include weekly curbside recycling services, weekly curbside yard waste recycling, and the processing, transfer and disposal of solid waste. Increases in rates are being driven primarily by declining solid waste revenues from the economic downturn, declines in the revenue received from the sale of recyclable materials, the need to replace a significant number of the Specialty Solid Waste and Recycling garbage and recycling trucks, and the scheduled replacement of recycling carts. Costs for private companies that provide for the collection, transfer and disposal of solid waste and recyclables account for approximately 73 percent of total expenses. Other costs include costs for capital and infrastructure projects including debt service (14 percent), City related personnel costs (8 percent), and non-personnel related operating costs (5 percent).

Additional details regarding factors influencing rate changes will be available in the 2012/13 Utility Rate Report to Council. This report will be available in the City Clerk's Office and on the City's website ([www.sunnyvale.ca.gov](http://www.sunnyvale.ca.gov)) at least two weeks prior to the hearing.

### **PROTEST PROCESS**

If you wish to protest the proposed service rate increases, the City must receive your *written* protest prior to the close of the public hearing on June 12, 2012. As required by California Proposition 218, should the City Council receive written protests from a majority of customers, the proposed rates will not become effective and the current rates will remain in place. Mail or deliver written protests to:

Attention: Utility Rate Protest  
City of Sunnyvale, Department of Finance  
650 W. Olive Ave., Sunnyvale, CA 94086-7637

*For your protest to be counted, please include one of the following: the address(es) or Assessor's Parcel number(s) of the property(ies) you own, or the utility account number(s) or address(es) for open utility account(s) that are subject to the proposed rate adjustment. Protests are limited to one per parcel. If you have any questions about the protest process, please call (408) 730-7400, TDD (408) 730-7501.*

### **Pay Your City of Sunnyvale Utility Bill Online**

View your bills online, see billing and payment history, and make one-time or automatic payments. For more information, please visit [PayMyBill.inSunnyvale.com](http://PayMyBill.inSunnyvale.com).

This letter may be made available in alternative formats upon request by calling the City of Sunnyvale Utility Billing Office at (408) 730-7400, TDD (408) 730-7501.